AFN Welcomes Laura Sparks of Citi as Newest Steering Committee Member

AFN is pleased to welcome Laura Sparks, Director of Development Finance Initiatives at Citi, as our newest steering committee member this spring. We are excited to bring her talents and expertise to AFN.

As Director of Development Finance Initiatives, Laura works with Citi Community Development, the Citi Foundation, and a range of Citi businesses to develop innovative programs that expand Citigroup’s partnerships and initiatives with Community Development Financial Institutions (CDFIs), locally and nationally, to innovate, attain scale and achieve financial sustainability. This work is central to Citi’s focus on responsible and inclusive finance and on asset building strategies designed to empower underserved people, families and communities.

Prior to joining Citi Community Development, Laura served as the Director of Business Strategy for the CitiMortgage Strategic Markets division. In this capacity, Laura focused on initiatives designed to increase responsible and sustainable homeownership opportunities for low- and moderate-income and minority people and communities. Prior to joining Citi, Laura was the Senior Vice President for Financial Services at Opportunity Finance Network (OFN), a national nonprofit serving Community Development Financial Institutions (CDFIs) across the country, where she managed OFN’s investments in CDFIs. She previously worked as an investment banker for corporate, municipal, and higher education clients at Goldman Sachs and UBS.

Laura recently served as Director, Treasurer and Chair of the Finance Committee for Philadelphia V.I.P., a nonprofit providing last-resort pro bono legal services to low-income clients, including representation in one of the leading foreclosure prevention programs in the country. She also served as an inaugural Grant Making Committee Co-Chair for the Asian Mosaic Fund Giving Circle, a diverse donor group committed to advancing the well-being of the Greater Philadelphia Asian community. Laura received her J.D. from the University of Pennsylvania Law School, her M.B.A. from the University of Pennsylvania’s Wharton School, and her B.A. in Philosophy from Wellesley College.

Asset Building News and Information

Tempting Fate: The Federal Budget Outlook

The Brookings Institution
June 2, 2011

Alan J. Auerbach, Robert D. Burch Professor of Economics and Law, University of California, Berkeley
William G. Gale, Senior Fellow, Economic Studies

Abstract

We present new estimates of the budget outlook, based on the latest projections from the Congressional Budget Office and the Medicare and Social Security Trustee reports. The medium-term and long-term budget outlook have not changed appreciably since last year. Under reasonable assumptions, the federal government is likely to face deficits in excess of 6 percent of GDP by late in the decade, even with a strong economy, with the debt-GDP ratio reaching 98 percent by 2021. The long-term budget outlook is sensitive to assumptions about how health care spending will respond to recent legislation. However, even under the most optimistic assumptions regarding health care spending, the most likely estimate suggests a long-term fiscal gap of between 6 and 7 percent of GDP. Policy makers and the public will eventually be forced to address these issues, but addressing them sooner rather than waiting until a full-blown crisis hits would allow for more reasonable and gradual adjustments.

Download report here.
Learn more about the Brookings Institution http://www.brookings.edu/

Homeownership and Individual Development Accounts: An Assessment of Recent Research

New America Foundation
May 2011

Reid Cramer

Individual Development Accounts are designed to support savings for the purchase of specific assets, such as buying a home, pursuing post-secondary education, or capitalizing a small business, by matching the deposits of program participants. The concept of matched savings has been promoted as a means to broaden asset ownership among populations missed by current policy. Recently, a study was released evaluating the ten-year impacts of a specific Individual Development Accounts program in
Tulsa, Oklahoma focused on increasing homeownership. This paper provides commentary on the findings of this new research, raises questions about the state of homeownership as a means of achieving economic security, and critiques the existing policy tools for supporting low-income families to climb up the economic ladder.

Read full paper here.
More about New America Foundation at http://www.newamerica.net/

Paying More for the America Dream V: The Persistence and Evolution of the Dual Mortgage Market

Joint report by:
California Reinvestment Coalition
Community Reinvestment Association of North Carolina
Empire Justice Center
Massachusetts Affordable Housing Alliance
Neighborhood Economic Development Advocacy Project
Ohio Fair Lending Coalition
Woodstock Institute

April 2011

Paying More for the America Dream V: The Persistence and Evolution of the Dual Mortgage Market, examines changes in conventional refinance lending between 2008 and 2009 in seven metropolitan areas: Boston, Charlotte, Chicago, Cleveland, Los Angeles, New York City and Rochester, NY. It also compares 2009 loan denial rates across neighborhoods. In all seven cities analyzed, lenders denied loan applications at significantly higher rates in communities of color than in predominantly white neighborhoods.

Download full report here.

Diverging Pathways: How Wealth Shapes Opportunity for Children

Insight Center for Community Economic Development

Key Findings
Racial disparities in households with young children are dramatic

- In 2007, 32% of white households were income-poor and 14.2% had no assets. In sharp contrast, 69% of Latino and 71% of blacks were income-poor and 40% had no assets.

Racial disparities in child outcomes start early and grow over time

- At nine months, all children start out with fairly similar scores on a standard child development test, but by two years of age, racial disparities emerge.

The wealth gap widened for households with children

- Between 1994 and 2007, the wealth gap between white and black households with children increased by $22,000 - almost doubling from $25,000 to $47,000.
- In 2007, black households with children held only 4% of the wealth of white households.
- From 2005 to 2007, black households living with zero or negative net worth (debt) grew from 35% to 39% while it stayed constant at 15% for white households.

Download full report.
To learn more visit www.insightced.org and www.racialwealthgap.org

Taking Stock of Ten Years of Research on the Relationship between Assets and Children's Educational Outcomes: Implications for Theory, Policy and Intervention

Center for Social Development at Washington University in St. Louis
Working Papers 2011

William Elliott III, University of Pittsburgh, School of Social Work
Mesmin Destin, Northwestern University, Social Psychology Department,
Terri Friedline, University of Pittsburgh, School of Social Work

This paper has two main goals. First, we provide a review of 38 studies on the relationship between assets and children's educational attainment. Second, we discuss implications for Child Development Accounts (CDAs) policies. CDAs have been proposed as a potentially novel and promising asset approach for helping to finance college. More specifically, we propose that CDAs should be designed so that, in addition to promoting savings, they include aspects that help make children's college-bound identity salient, congruent with children's group identity, and that help children develop strategies for overcoming difficulties.

Download full report here.
Find out more about the Center for Social Development


CFED
January 2011
The purpose of this report is to outline a public policy agenda to broaden savings and asset ownership opportunities for people who have limited resources at their disposal. In developing our thinking on the subject, we have drawn on the research and expert analysis of many others in the field. The agenda we present here includes calls for new structures and policies at the federal level, as well as changes to existing tax systems, government programs, and financial products. Some of these policies are well developed, others need more seasoning, but all of them have the potential to contribute to the economic well-being of millions of American families. If we are to successfully broaden savings and asset ownership, our policy efforts must be expanded, strengthened, and directed toward those with the greatest need.

Read full report.
Learn more about Wider Opportunities for Women
Learn more about the Center for Social Development

The Basic Economic Security Tables for the United States 2010

Wider Opportunities for Women and Center for Social Development at Washington University in St. Louis,

What does it take for a family in the US to not merely get by, but to have long-term economic security and ongoing opportunities? This was the question that inspired the creation of the Basic Economic Security Tables Index (BEST) and accompanying Report, a joint effort of Wider Opportunities for Women (WOW) and the Center for Social Development (CSD) at Washington University’s Brown School. CSD’s work on the BEST is part of its Livable Lives Initiative, which investigates social conditions and policy supports that can help make life with a low or moderate income stable, secure, satisfying, and successful. WOW organized and led the development of the BEST, and CSD provided expertise on the saving components.

Read executive summary or full report here.
To learn more about CFED, visit http://cfed.org

The Assets Agenda 2011: Policy Options to Promote Savings and Asset Development

New America Foundation
September 2010

Reid Cramer, Alejandra Lopez-Fernandini, Lindsay Guge, Justin King, and Jamie Zimmerman

The purpose of this report is to outline a public policy agenda to broaden savings and asset ownership opportunities for people who have limited resources at their disposal. In developing our thinking on the subject, we have drawn on the research and expert analysis of many others in the field. The agenda we present here includes calls for new structures and policies at the federal level, as well as changes to existing tax systems, government programs, and financial products. Some of these policies are well developed, others need more seasoning, but all of them have the potential to contribute to the economic well-being of millions of American families. If we are to successfully broaden savings and asset ownership, our policy efforts must be expanded, strengthened, and directed toward those with the greatest need.

Download report here.

Funding opportunities for rural communities, CDFIs and CDCs

Federal grant application periods open now!

Grant application periods are open now for the funding opportunities detailed below.

USDA Rural Development Agency has funding available for the Rural Economic Development Loan and Grant program (REDLG). REDLG supports rural small businesses that create or retain jobs. The deadline to apply is June 30, 2011. Detailed information and the application forms are available through the Federal Register.

The CDFI Fund has opened applications for the annual Bank Enterprise Award (BEA). BEA provides financial awards to FDIC-insured banks for increasing their investments in Community Development Financial Institutions (CDFIs) and/or community and economic development lending activities. The deadline to apply is June 23, 2011. Detailed information and application forms are available through the Federal Register and the CDFI Fund website.

The Department of Health and Human Services (HHS) Administration for Children and Families (ACF) is accepting applications for grants through discretionary funds for Community Economic Development (CED). Funds will be awarded to Community Development Corporations that engage in job creation and business development activities targeting low- and moderate-income individuals. This year, funding will be prioritized for organizations that are participating in the Healthy Foods Financing Initiative. The deadline to apply is July 11, 2011. Detailed information and application materials are available through the HHS website.

Or find information on CFED’s website.

Assets for Independence Announces Grant Application Upcoming Deadline - Jan 2012

The Assets for Independence (AFI) Resource Center invites all non-profit organizations, qualified state and local governments, community development credit unions, community development financial institutions,
and other community-based organizations to apply for AFI grants. The upcoming grant application deadline is January 25th, 2012.

The AFI program provides funding to eligible organizations to provide Individual Development Accounts (IDAs) and related supportive services for qualified individuals in their area. Each participant opens an account and receives matched funding from the federal government and another source. The funds can be used for furthering education, purchasing a home, or starting a business. To date, nearly 80,000 families participating in AFI-funded projects across the nation have used their IDA savings to acquire a long-term asset and are on their way to long-term economic success. In addition to the IDAs, typical grantees also provide participants with money management training, assistance resolving credit and debit issues, and other supports.

The AFI Resource Center will host a spring webinar series for prospective grantees and project partners in March through May 2011. The series include several webinars featuring an overview of the AFI program and application process; suggestions for developing strong projects; and strategies for building partnerships with community organizations for bigger impact. You will also have the opportunity to participate in interactive question and answer calls to receive answers regarding your specific project design questions.

To register and learn more about the webinar series visit the AFI Calendar of Events online: http://idaresources.org/Calendar. Contact the AFI Resource Center for technical support with your application at: info@idaresources.org or 1-866-778-6037. Visit the Resource Center website at: www.idaresources.org for more information on the Assets for Independence program, Individual Development Accounts, and other asset building strategies.

AFI Resource Center | Office of Community Services
www.acf.hhs.gov/assetbuilding | www.idaresources.org
1-866-778-6037 | info@idaresources.org

Upcoming Events - Open to All

CFED and San Francisco Office of Financial Empowerment Webinar

Financial Empowerment through Employer Engagement: Opportunities, Challenges and Next Steps

Wed, June 15th
12:00 - 1:30 pm PST/3:00 - 4:30 pm EST

Register Now!

This webinar will feature the findings of research highlighted in a new report, Financial Empowerment through Employer Engagement: Migrating a City to a Paperless Payday, and the discussion will include the authors of this report along with other experts working to bring paperless payday efforts to fruition.

Leigh Phillips, Manager, San Francisco Office of Financial Empowerment and Eugénie FitzGerald, project consultant for the Office of Financial Empowerment, authored the report, which describes original research with businesses and employees designed to understand the impact of direct deposit and electronic pay on businesses and low-income employees throughout San Francisco. FitzGerald and San Francisco Treasurer José Cisneros were among the inaugural class of CFED Innovators-in-Residence, a role designed for creative individuals to bring their concepts to application and scale with assistance from CFED.

Ida Rademacher, CFED’s Vice President for Policy and Research, will introduce and moderate the webinar. Also presenting will be Cathy Beyda, Attorney and Chairperson of the American Payroll Association’s Government Affairs Task Force on Payroll Cards and the Association’s Paycard User Group.

US Mexico Border Philanthropy Partners Presents: Mastering Asset Building Evaluation Webinar Series

#3 Connecting the Dots: Data Collection Connected to the Appropriate Questions

July 14th, 10:00 -11:00 am PST

Register Now!

Mastering Asset Building Program Evaluation is a set of interactive webinars for US-Mexico border asset building organizations. They are intended to help organizations define evaluation questions to follow their clients and identify appropriate data collection tools to answer those questions.

Asking the "right" asset evaluation questions and finding the tools to assess them can seem a daunting task. Yet, the process is essential in helping understand how your programs help asset building clients. This webinar series is right for you if you have been collecting data on your clients but you wonder how you can:
• Frame more focused evaluation questions to understand the impacts of your programs on clients over time
• Better assess your annual BPP Family Asset Building Program surveys to understand the distinct groups of clients you serve
• Find better data collection tools - including ones that are culturally-relevant to US-Mexico border communities -- to help you track the impact of your asset programs on clients

Who: This series will be of interest to executive leadership of nonprofit organizations providing asset building services, especially organizations participating in the BPP’s Family Asset Building Program and annual Volunteer Income Tax Assistance clinics. While the webinars are open to all, participants who desire coaching from the webinar trainer and peer-to-peer feedback must take part in all three webinar series.

Presenter: Angie Donelson, Ph.D., AICP, President, Donelson Consulting LLC

Cost: BPP webinars are free to current members. Nonmembers can participate by signing up for BPP membership or paying $75 for this three part series.

Find out more about the US Mexico Border Philanthropy Partners.

Upcoming Events - Funders Only

Bay Area Asset Funders Network - Member Meeting

Federal and State Support for Asset Building-
Emerging Challenges and Opportunities

Date: Wed, July 20th
Networking Lunch: 11:30 am - 12:00 pm PST
Meeting: 12:00 -2:00 pm PST
Location: Plaza Adelante, 2301 Mission Street, San Francisco

Please mark your calendars!
This meeting is for funders only, thank you!

Register Now

While headlines are focused on budget cuts and shortfalls, it's hard for funders to keep abreast of how state and federal budget cuts will affect asset-building programs at the local and regional levels. At the same time, the news is not all bad. Opportunities are emerging for Bay Area stakeholders to affect policy outcomes and bring new federal and state resources to our communities.

Please join the July 20th meeting of the Bay Area Asset Funders Network to learn about the ways in which federal and state support for asset-building programs are changing and how it might be relevant to your work. Joining us will be Jennifer Brooks of CFED who will talk about opportunities and challenges related to the federal budget and Olivia Calderon of the New America Foundation who will focus on changes underway in California.

Presenters:
Jennifer Brooks, Director of State and Local Policy, CFED
Olivia Calderon, California Legislative Director, New America Foundation

Please check out the Bay Area AFN webpages for more information on the Bay Area AFN.

Contact Heather McCulloch, Bay Area AFN Manager, as heather@assetbuildingstrategies.com if you have any questions.

Grantmakers Income Security Taskforce - Meeting

Moving Forward in the States

Save the Date!
October 4th, 9:00 - 5:00 pm
October 5th, 9:00 - 12:00 pm
Washington, DC

This meeting is free of charge and open to foundation representatives and philanthropic advisors only.

The deep recession and sluggish recovery have left many families struggling to make ends meet and facing substantial declines in their living standards. Slow economic growth and high unemployment continue to depress state revenues, which along with drained budget reserves and ending federal assistance will force states to consider additional cuts to crucial supports and services for children and families. Despite this daunting fiscal challenge, gains have been made and opportunities exist to improve state fiscal choices and preserve policies and programs that protect our most vulnerable families and children.

The Grantmakers Income Security Taskforce (GIST) invites you to attend Moving Forward in the States, October 4-5, 2011 in Washington, DC. Please join us to network with colleagues and:
• Compare several potential strategies to alleviating poverty, including in rural states;
• Discuss the growing momentum for guaranteeing paid sick days and raising the minimum wage in cities and states around the country; and
• Explore framing of messages to defend the role of government in helping lower income families.
AFN Events Recap

EITC Funders Network and Asset Funders Network Webinar

Internet Resources for Funders and the Field

April 25th, 2011

The EITC Funders Network and the Asset Funders Network co-sponsored a webinar profiling three critical websites: Tax Credits for Working Families, EITC Platform, and Asset Platform.

Find webinar power point presentations here.

General Events Recap

Brookings Institution Web Chat

The Nation’s Debt and Fiscal Health: A Live Web Chat with Alice Rivlin

Wed, June 8th

Event Summary

Negotiations over raising the debt limit continue between the White House and congressional leadership. Some economists warn that failing to raise the statutory limit could cause the nation to default on its debt, creating chaos in domestic and international markets.

Meanwhile on Capitol Hill, lawmakers are struggling to find a compromise on the overall budget. Brookings Senior Fellow Alice Rivlin, founding director of the Congressional Budget Office and a member of President Obama’s National Commission on Fiscal Responsibility and Reform, warns that the national debt and record budget deficits threaten the country’s long-term economic health.

Click here to read web chat with Alice Rivlin, Senior Fellow, Economic Studies, at the Brookings Institution.

Rick Williams
Asset Funders Network Director
rick@assetfunders.org